VZCZCXRO3541 OO RUEHCN RUEHGH DE RUEHBJ #7112/01 1041052 ZNY CCCCC ZZH O 141052Z APR 06 FM AMEMBASSY BEIJING TO RUEHC/SECSTATE WASHDC IMMEDIATE 2979 INFO RUEHOO/CHINA POSTS COLLECTIVE RUEHGG/UN SECURITY COUNCIL COLLECTIVE RUEHWH/WHA DIPLOMATIC POSTS COLLECTIVE RUEAIIA/CIA WASHINGTON DC RUEATRS/DEPT OF TREASURY WASHINGTON DC RHEFDIA/DIA WASHINGTON DC RHHMUNA/HQ USPACOM HONOLULU HI RUEKJCS/SECDEF WASHINGTON DC RUCNDT/USMISSION USUN NEW YORK 1290

C O N F I D E N T I A L SECTION 01 OF 04 BEIJING 007112

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E.O. 12958: DECL: 04/13/2016

TAGS: PREL PINR PGOV CH CU VE XM

SUBJECT: A/S SHANNON DISCUSSES CHINA-LATIN AMERICA
RELATIONS WITH PARTY CCID DG WANG HUA

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Classified By: Political Minister Counselor Daniel Shields. Reasons 1.4 (b/d).

Summary

(C) China's objectives in Latin America are to establish a political partnership based on equality and trust, to develop a cooperative economic relationship and to deepen cultural exchanges Communist Party Central Committee International Department (CCID) Director General for Latin America Wang Hua told WHA Assistant Secretary Shannon. China has also been reaching out to Latin America, which Beijing sees as a "big school" for models of development. Despite various crises in Latin America, the region's level of development remains higher than China's. Wang expressed hope that the United States and China can cooperate in Latin America. He listened intently as A/S Shannon outlined trends in U.S.-Latin America relations, urged China to encourage Cuba to open up to the outside world and called for caution by China in its relations with Venezuela, particularly in

Chinese Citizens Interested in A/S Shannon's Visit

the area of military sales. End Summary.

- 12. (C) In an April 13 meeting, CCID Director General for Latin America Wang Hua (see paras 13 and 14 for bio information) welcomed A/S Shannon to China and said a Chinese-language search for A/S Shannon's name registers some 2,000 hits. This reflects Chinese citizens' interest in A/S Shannon's visit to China for dialogue with his MFA counterparts on Latin America issues. Wang stressed the close coordination between the CCID and the MFA. He and MFA DG for Latin America Zeng Gang are close friends. While Zeng reports to FM Li Zhaoxing and Wang reports to Party International Department Minister Wang Jiarui, both report to Hu Jintao, the President and Party Secretary.
- 13. (C) A/S Shannon noted high-level interest in the U.S. Government in further developing U.S.-China relations, understanding China's evolving relations with Latin America and in exploring how the United States and China can best work together on matters

relating to Latin America. There are many points of convergence between U.S. and Chinese interests in Latin America, he noted.

China-Latin America Party-Party Relations

14. (C) Wang gave an overview of the evolution of party-party relations between China and Latin American countries. More than 20 years ago, the leaders of the Chinese Communist Party held a tight monopoly on power, but following decades of reform, the situation has changed. This affects the Party's relations with political parties and groups in Latin America. Initially, the CCID's relationships were confined to other Communist Parties. In 1953 the Brazilian Communist Party sent a delegation to China hosted by the CCID. Following a revamping of Chinese foreign policy in 1978, China reached out to non-Communist parties in Latin America, sending a delegation to Mexico in 1979 for PRI anniversary celebrations and hosting Venezuela's COPEI Party in 1980. A/S Shannon commented that COPEI had played an important role in the democratization of Latin America in the 1980s, which Wang acknowledged.

Four Principles in Party-Party Relations

¶5. (C) Wang stressed that China adheres to four principles in party-party relations: 1) all parties are independent and responsible to their people, 2) all lawful parties, big or small, ruling or in opposition, are equal, 3) all parties should respect each other and the road of development they have chosen and 4) no party should interfere in the

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internal affairs of another party. These four principles track with China's five principles for peaceful coexistence at the state-state level. Wang said the Party has relations with more than 90 parties, including ruling and opposition parties of varying ideological perspectives, in more than 30 countries in Latin America. When there are problems in state-state relations, party-party relations can play a helpful bridging role, he noted.

Six Factors in China-Latin America Relations

- 16. (C) The development of China-Latin America relations is based on six factors, the first five positive, the last one negative. First, China and the nations of Latin America are all developing countries. Second, they all face the challenges and opportunities brought by globalization. Third, they seek an appropriate development path that fits local circumstances. Fourth, they support South-South cooperation and North-South dialogue. Fifth, over the last ten years Latin America has pursued multipolar diplomacy and regional integration. The region has reached out across the Pacific to countries including China. China has also been reaching out to Latin America, which Beijing sees as a "big school" for models of economic and social development.
- 17. (C) Despite various crises in Latin America, the region's level of economic and social development is higher than China's. GDP per capita is USD 3,500 4,000 in Latin America, while per capita GDP in China is only about USD 1,700, Wang noted. Sixth, Wang said negative factors hindering the development of China-Latin America relations include the enormous geographic distances which lead to an absence of direct flights, large cultural differences between

China and Latin America, and the lack of mutual understanding. Latin culture is virtually inaccessible to Chinese, Wang said.

Poverty Alleviation

18. (C) A/S Shannon noted that the most pressing problem faced by many Latin American governments is poverty reduction. There is much interest in Latin America in learning from China in this area. Pointing to the importance of including all people in economic and governmental decision-making, A/S Shannon said there is much for Latin America to learn from multiracial societies like the United States and South Africa. Improved living standards and continued stability will depend on assuring that all people have access to opportunities, he said.

U.S. Factor in China-Latin American Relations

- 19. (C) Wang said China's overall objectives for its relations with Latin America are to establish a political partnership based on equality and mutual trust and support, to develop a cooperative economic relationship that brings mutual benefits, and to deepen cultural exchanges to enhance understanding. Alluding to Taiwan's diplomatic relationships in the region, Wang noted that twelve of the 33 Latin American and Caribbean countries do not have diplomatic relations with the PRC. He said China must consider the U.S. factor when establishing relations with Latin American countries and cited his hopes that the U.S.-China dialogue on Latin America could help ensure that the U.S. factor would be positive. Wang asked A/S Shannon to outline U.S. views on China-Latin America relations and asked for an evaluation of trends in U.S.-Latin America relations.
- U.S. Engagement in Latin America
- 110. (C) A/S Shannon said the Western Hemisphere has made important strides toward recognizing democracy as

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the only legitimate form of government. This has enabled the United States to maintain good relations with the vast majority of governments in the region, whether they are of the left, right or center. With regard to economic development, the United States believes that free markets and economic integration will lead to prosperity and has worked to build consensus around the commitment to integration. Economic growth and democracy are only meaningful, however, if all citizens have access to them. The U.S. is encouraging investments in health and education that will lead to broader prosperity.

Nontraditional Security Threats

111. (C) In the security realm, Shannon said, the threats to democratic states in the region do not come from other democratic states, but from nontraditional security threats such as terrorism and drug trafficking. This has significantly altered the traditional basis for regional security relationships. In a democratic hemisphere with a common understanding of security threats and an economy based on free trade, the United States could not pretend to "control" the region. In this regard, China's interest in Latin America comes at a time when we believe that increased contact between Latin America and other countries is very important. China's engagement could

be very positive, provided it respects the region's fundamental commitment to democracy.

Cuba

112. (C) With regard to Cuba, U.S. policy is focused on a transition to democracy in Cuba and reintegration of a democratic Cuba into the inter-American system. A/S Shannon suggested that China could be helpful in encouraging Cuba to open up to the world and begin a meaningful transition, which will make reintegration easier. Regrettably, recent moves in Cuba have gone in the opposite direction, with increased repression, economic withdrawal and limits on diplomatic engagement.

Venezuela

13. (C) A/S Shannon noted that the United States, historically, has had close ties with Venezuela, which have suffered a setback under President Chavez. Chavez seeks to provoke conflict with the United States for his own political purposes and has become increasingly unreliable and difficult. The United States is continuing to seek ways to improve relations with Venezuela, but we are very concerned that Chavez is committed to provoking a rupture between the United States and other Latin American countries. We have moved to limit our engagement with Venezuela in the area of weapons sales and urge that China keep this in mind in developing its relations with Venezuela.

Participants

114. (U) United States:

WHA Assistant Secretary Thomas Shannon
WHA Senior Executive Assistant John Creamer
Political Minister Counselor
Embassy Notetaker
Interpreter
Embassy Control Officer

China:

CCID DG Latin America Wang Hua CCID Director North America Jiang Lin CCID Latin America Research Director Chen Xiangyuan Notetaker Interpreter

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Official CV for Wang Hua

115. (U) Mr. Wang Hua, Han nationality, is the Director-General for Latin American Affairs, International Department of the Central Committee of the CPC (IDCPC), the Council member at the Chinese Association for International Understanding (CAIFU), and Vice Chairman of Chinese Association for Latin American Studies (CALAS).

Born in January 1956 in Jishou city, Hunan Province, Mr. Wang studied Spanish and Latin American Literature at Guangzhou Foreign Language Institute from December 1970 to December 1975, and started to work as a Spanish interpreter in Foreign Affairs Office of Guangdong Province in January 1976. In 1979, he joined the Bureau for Latin American Affairs, IDCPC and successively held offices of Deputy Division Director and Division Director. From December 1996 to

January 1998, he served as Deputy Secretary of the CPC County Committee of Binxian County, Shaanxi Province on a training-on-the-job program. From August 1998 to August 2003, he was Deputy Director-General for Latin American Affairs of IDCPC and became Director-General in August 2003.

Since 1981, Mr. Wang has held a concurrent post at CAIFU, dedicating himself in the researches on political, economic and social issues in Latin America and the Caribbean. From December 1983 to August 1985, he was sent by CAIFU as a visiting scholar to College of Mexico (El Colegio de Mexico) for advanced studies in International Relations. Since August 1998, he has served as CAIFU council member. In October 2003, he was elected as Vice Chairman of CALAS.

Mr. Wang was posted as Second Secretary from March 1990 to 1992 and First Secretary from April 1994 to May 1996 at the Chinese Embassy in Peru.

Mr. Wang is married and has a daughter.

Additional Bio Note

116. (U) Wang made highly positive comments about a training program he undertook in September 2005 at Harvard's Kennedy School of Government.

RANDT